

Amendment No. 1 to SB0898

Kelsey  
Signature of Sponsor

**AMEND Senate Bill No. 898**

**House Bill No. 917\***

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 2, Part 1, is amended by adding the following as a new section:

(a) A county LEA shall not operate a school that is located within the geographic boundaries of a municipal LEA unless the municipal LEA in which the school is located consents to the county LEA operating the school, as evidenced by an interlocal agreement or memorandum of understanding executed by the respective LEAs.

(b) The commissioner of education may withhold state education finance funds from a county LEA that violates subsection (a).

SECTION 2. Tennessee Code Annotated, Title 49, Chapter 2, Part 4, is amended by adding the following as a new section:

(a) If a municipal school system is created pursuant to this chapter and the municipal school system and the county LEA do not enter into an interlocal agreement or memorandum of understanding for the county LEA to continue operating a school located within the geographic boundaries of the municipal school system, then:

(1) All school property owned by the county LEA located within the geographic boundaries of the municipal school system must be transferred to the municipal school system upon the municipal school system's creation; and

(2) All operations of the county LEA for a school located within the geographic boundaries of the municipal school system must be discontinued upon the commencement of student instruction by the municipal school system.

(b)

(1) A county LEA operating a school located within the geographic boundaries of an established municipal school system as of July 1, 2021, shall enter into an interlocal agreement or memorandum of understanding with the municipal school system no later than six (6) months after receiving written notice of the municipal school system's intent to establish a period of operational transition for the school located within the geographic boundaries of the municipal school system, and a process for the transfer of all public property of the school located within the geographic boundaries of the municipal school system from the county LEA to the municipal school system.

(2) If a county LEA refuses to enter into an interlocal agreement or memorandum of understanding as required in subdivision (b)(1), then the commissioner of education may withhold state education finance funds that the county LEA is otherwise eligible to receive.

(c)

(1) A municipal school system may enroll students in a school operated by the municipal school system, but that was operated by the county LEA as of July 1, 2021, from the attendance zones previously established by the county LEA for the school, or the municipal school system may establish new attendance zones for the school.

(2) If a municipal school system establishes new attendance zones for the school, then the municipal school system shall allow all students enrolled in the school in the 2021-2022 school year to remain enrolled or eligible for enrollment in the school until the first of the following:

(A) The student graduates, withdraws, or transfers from the school; or

(B) The end of the 2026-2027 school year.

(3) Notwithstanding subdivision (c)(2), a municipal school system is not required to allow all students enrolled in the school to remain enrolled or eligible for enrollment in accordance with subdivision (c)(2) if the municipal school system and the county school system enter into an agreement specifying that the municipal school system is not required to allow students enrolled in the school in the 2021-2022 school year to remain enrolled or eligible for enrollment.

SECTION 3. Section 1 of this act takes effect July 1, 2022, the public welfare requiring it. All remaining sections of this act take effect upon becoming a law, the public welfare requiring it.